Government and the State Governments as notified under the Essential Commodities Act.

2557. [*Transferred to the 2nd December, 1987*].

**Power sets manufactured by BHEL**

2558. SHRI DHARAM CHANDER PRASHANT :
SHRI A. G. KULKARNI :

Will the Minister of INDUSTRY be pleased to state :

(a) what is the generating capacity of the powers sets manufactured by BHEL and whether there are any complaints about the performance of these energy producing sets;

(b) whether Government has adopted the policy of allowing import of generating sets and have allowed the private sector industrial units like Birla's Hindustan Aluminium Company as well as Reliance Industries and Renusagar Power Project to import such sets; and

(c) if so, what is the policy of Government as regards liberalisation of imports as against the interest of the indigenous industry ?

THE MINISTER OF STATE IN THE DEPARTMENT OF PUBLIC ENTERPRISES IN THE MINISTRY OF INDUSTRY (PROF. K. K. TEWARY) : (a) The range of power sets manufactured by BHEL so far are as follows :

—Thermal upto 500 MW

—Hydro upto 165 MW

The performance of BHEL sets by and large has been satisfactory.

(b) and (c) In order to protect the interests of indigenous industry, import of power generating equipment is not normally allowed. Import is, however, permitted selectively, depending on the totality of circumstances. M/s. Renusagar Power Company owned by M/s. Hindalco have been allowed to import 1×67.5 MW TG set based on competitive offer.

2559. [*Transferred to the 2nd December, 1986*].

**Streamline the working of public projects.**

2560 SHRI A. G. KULKARNI : Will the Minister of INDUSTRY be pleased to state :

(a) whether over-employment and under utilisation of capacity as alleged have afflicted the steel, coal, fertilizers and other public sector enterprises if so, to what extent;

(b) whether such mismanagement is attributable to the fact that many public sector projects are being run without Chief Executives or professional Directors and if so, how many such units are working in the absence of such personnel; and

(c) what steps Government have taken to streamline the working of the public projects, so as to be able to fully contribute their share of resources to the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE DEPARTMENT OF PUBLIC ENTERPRISES IN THE MINISTRY OF INDUSTRY (PROF. K. K. TEWARY) :

(a) to (c) The performance of public sector undertakings depend on various factors. It is not possible to attribute the poor performance of Public Sector Undertakings to any single factor.

Some of the major causes identified for such poor performance include constraints in the availability of inputs like coal, power transportation facilities; reduced demand in certain industries like Shipping and Ship Building; uneconomic prices; inherent sickness in the case of nationalised units taken over from the private sector; increase in input costs from time to time

including wage revisions obsolescence of technology etc.

The steps taken by the Government to improve the performance of the Public Sector Undertakings include continuous monitoring and review of performance at various levels; improving availability and quality of infrastructural inputs including provision of captive power facilities wherever considered necessary, technology upgradation; modernisation and rehabilitation of plant and equipment and provision of balancing facilities; product diversification and improvement in product mix; encouraging participation of labour in management, emphasis on cost reduction and cost control by increasing productivity and efficiency etc.

**Sick industries**

2561. SHRI M. S. GURUPADASWAMY :
DR. BAPU KALDATE :

Will the Minister of INDUSTRY be pleased to state :

(a) whether it is a fact that a large number of industries are sick;

(b) if so, what is the extent of large, medium and small tiny industries so afflicted with sickness;

(c) what are the major causes (sectorwise), if identified in industries such as cotton textiles, sugar cement and engineering;

(d) whether any guidelines for their rehabilitation have been laid down;

(e) what is the policy of Government regarding rehabilitation and reviaval of sick units; and

(f) what measures have been taken to revive and re-start such industries ?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT IN THE MINISTRY OF INDUSTRY (SHRI M. ARUNACHALAM) : (a) and (b) Data on sick industrial units assisted by banks in the country are collected by the Reserve Bank of India as per the definition of sickness adopted by it. According to the information available from RBI, the sectorwise information on sick units, for the period ending June 1985 is as under :

| | |
|---|---|
| Large units | 597 |
| Medium units | 1181 |
| SSI units | 97890 |
| TOTAL : | 99668 |

(c) A number of causes, both internal and external often operating in combination, have been responsible for industrial sickness in the country. It has been identified that some of the principal causes of industrial sickness are infrastructural constraints management deficiencies poor industrial relations, and excess manpower and obsolescence of technology and machinery which are common to all sectors of industry. In the case of some industries, inadequacy of demand, shortage of raw materials and other inputs, and inadequate attention to R&D have also caused units to become sick.

(d) to (f) The Government have issued certain policy guidelines in 1981 laying emphasis on the strengthening of the monitoring system of the financial Institutions, and the necessity to initiate corrective action as soon as the banks/financial institutions become aware of definite signs of sickness. The salient features of these guidelines were furnished in reply to Rajya Sabha Unstarred Question No. 70 on 15-7-1982. Government also provide such reliefs and concessions as may be feasible and necessary as part of the rehabilitation package prepared by banks and financial institutions. The Industrial Reconstruction Bank of India (formerly IRCI) has been established in 1985, as the principal credit and reconstruction agency for industrial revival in the country. According to